
Five-Year Implementation Strategy

FY 2002-2007

North Auburn Redevelopment Project Area

I. Introduction and Background

In 1997, in accordance with the provisions of Section 33490 of the California Community Redevelopment Law, Health and Safety Code Section 33000 et. seq. (the “CRL”) requiring the adoption of implementation plans for redevelopment project areas as part of the redevelopment plan adoption process for the North Auburn Redevelopment Project Area (the “Project Area”), the Placer County Redevelopment Agency (the “Agency”) adopted its first implementation plan along with the adoption of the North Auburn Redevelopment Plan (the “Redevelopment Plan”). The implementation plan or strategy contained specific goals and objectives for the Project Area for the period between 1997 and 2002.

This document is the second Five-Year Implementation Plan (“Implementation Strategy”) for the Project Area. The new Implementation Strategy reviews the Agency’s past progress, updates the Agency’s goals and objectives, indicates anticipated projects and programs, and projects estimates of revenues and expenditures for the five year planning period beginning in Fiscal Year 2002-03 and terminating at the end of Fiscal Year 2006-07. For the purpose of this report, this five-year time period will be referred to as “FY 2002-2007.”

Contents of the Implementation Strategy

Section 33490 of the CRL requires this Implementation Strategy to include the following:

- Specific Agency goals and objectives for the North Auburn Redevelopment Project Area;
- Specific programs, potential projects, and estimated expenditures proposed by the Agency over the next five years, and;
- An explanation of how Agency goals, objectives, programs, and expenditures will eliminate blight within the North Auburn Redevelopment Project Area and improve and increase the supply of housing affordable to very low, low, and moderate-income households.

The CRL further requires that this Implementation Strategy address the Agency's affordable housing production and replacement housing needs and achievements in the following manner:

- Develop an annual housing program in sufficient detail to measure performance under the Implementation Strategy;
- Identifying the number of housing units to be developed, rehabilitated, price-restricted, or otherwise assisted or destroyed;
- Provide a description of the Agency's plan for use of its annual deposits in the Low to Moderate-income Housing Fund;
- Identifying potential locations for any replacement housing the Agency is required to produce; and
- Develop a Project Area Affordable Housing/Workforce Housing Implementation Strategy.

Implementation Strategy Framework

The Implementation Strategy is organized into five major parts:

- I. Introduction and Background
- II. Relationship of Redevelopment Activities to the Elimination of Blight
- III. Five-Year Implementation Strategy Budget Forecast
- IV. Five-Year Redevelopment Implementation Strategy
- V. Five-Year Affordable Housing/Workforce Housing Implementation Strategy and Housing Production Plan

The first part provides information on the Redevelopment Plan and Project Area. The second part discusses the relationship of redevelopment activities to eliminate blight. The third part is the Five-Year Implementation Strategy Budget Forecast that indicates the anticipated revenues and the anticipated expenditures to implement the programs and projects. Part IV is the Five-Year Redevelopment Implementation Strategy, which addresses redevelopment projects, programs, and resources. The last part of this Implementation Strategy addresses the Agency's housing responsibilities, projects, programs, and resources to provide affordable housing in its Five-Year Housing Implementation Strategy and Housing Production Plan.

Placer County Redevelopment Project Areas

The Placer County (the “County”) Board of Supervisors created the Agency on April 30th, 1991 by Ordinance No. 4309-B. The members of the Board of Directors of the Agency are the same members comprising the Board of Supervisors. The primary mission of the Agency is to undertake redevelopment activities that remove physical and economic blight conditions that inhibit and continue to plague economic growth in the County. The current project areas are:

1. North Lake Tahoe Redevelopment Project established July 16, 1996 by Ordinance No. 4753-B.
2. Sunset Industrial Redevelopment Project established June 24, 1997 by Ordinance No. 4835-B.
3. North Auburn Redevelopment Project established June 24, 1997 by Ordinance No. 4832-B.

North Auburn Redevelopment Project Area and Redevelopment Plan

The Project Area was established on June 24, 1997 with the adoption of Ordinance No. 4832-B that adopted the Redevelopment Plan. The Redevelopment Plan has a term of 30 years (until 2027), and includes the effectiveness of the Agency’s land use controls for the Project Area.

The Project Area consists of two separate sub areas that total approximately 2,734 acres. The Bowman Area, which constitutes 260 acres, runs along U.S. Interstate 80, and the parallel street Lincoln Way, from just south of Bell Road down to Russell Road. Along Interstate 80, the majority of uses include commercial and industrial with some professional offices scattered throughout. Moving further east and west of the Interstate, residential uses and open spaces are more prevalent.

The Highway 49/North Auburn area makes up most of the Project Area consisting of a total of 2,474 acres. It follows State Highway 49 from north of Joeger Road down south to Nevada Street. The majority of uses in the north section of the area include various residential densities from rural to high-density uses, with some commercial and professional office uses mixed in. To the east, off of Lockley Lane and Bell Road, uses include industrial and open space, which are the majority of uses for the remaining area including some commercial uses to the south. A Riparian Drainage area is located at the northern tip of the Highway 49 Area just north of Joeger Road.

The two non-contiguous areas are within an area known as North Auburn, primarily the non-incorporated area north of the City of Auburn. According

to the 2000 Census, the Census Tracts that overlay the Project Area and the immediate area has an estimated population of less than 25,000 and has grown by about 15% since 1990. The County as a whole has grown about 44% for the same ten-year period, predominately in the Roseville and Rocklin area.

Relationship of the Project Area to the Auburn/Bowman Community Plan

The Auburn/Bowman Community Plan was adopted in June 1994 and covers an area of approximately 40 square miles or about 25,600 acres at the base of the Sierra Nevada foothills of Placer County. The Project Area, shown on Figure 1 and 2, is located entirely within the boundaries of the Community Plan area and its 2,734 acres represents about 11 percent of the Community Plan area.

The Redevelopment Plan focuses on the redevelopment of the urbanized and distressed portions of the Bowman and Highway 49 commercial corridors to accomplish many of the goals and objectives of the Community Plan.

Relationship of the Project Area to the Bowman Strategic Plan for Business Retention, Expansion, and Attraction

The County Board of Supervisors adopted the Bowman Strategic Plan for Business Retention, Expansion, and Attraction (the "Bowman Strategic Plan") on November 2001. The Bowman Strategic Plan covers an area known as the Bowman Commercial Core along the I-80 Freeway. The core is a narrow corridor of commercial and residential properties on both sides of I-80 and is anchored by the Foresthill interchange. This area is further defined through the use of the concepts of "gateways," generally a physical entry point to an area, and "nodes," a physical location with an existing base of business activity around which current and future economic and redevelopment activities can be focused.

The Bowman Strategic Plan is a strategic action plan that was developed by Claggett Wolfe Associates to be used as a guide for the presentation and implementation of specific actions related to business retention, expansion, and attraction efforts of the County and Agency, particularly in the Project Area. The memorandum transmitting the Bowman Strategic Plan to the County Board of Supervisors for their consideration from the Office of Economic Development and Section 5: Strategic Action Plan of the Bowman Strategic Plan are attached as Appendix B.

Relationship of the Project Area to the North Auburn Community Development Strategy and Design Guidelines

Another strategic plan that addresses the portion of the Highway 49 corridor that is in the Project Area is the proposed North Auburn Community Development Strategy and Design Guidelines (the “Strategy and Design Guidelines”). The Strategy and Design Guidelines were designed to:

- Identify and provide strategies for capturing economic opportunities.
- Prepare a program for redevelopment.
- Develop design guidelines and a streetscape vision for the Highway 49 corridor.

The Strategy and Design Guidelines, developed by Mogavero Notestine Associates, identified several redevelopment opportunity sites that are shown on Figure 3. This effort has prompted another study to develop and refine a program for the redevelopment of the Highway 49 corridor. The Agency is in the process of selecting a consultant to provide a “Highway 49 Strategic Plan for Business Retention, Expansion, and Attraction” analysis and study.

Figure 1

Project Area Map

NORTH AUBURN REDEVELOPMENT PROJECT

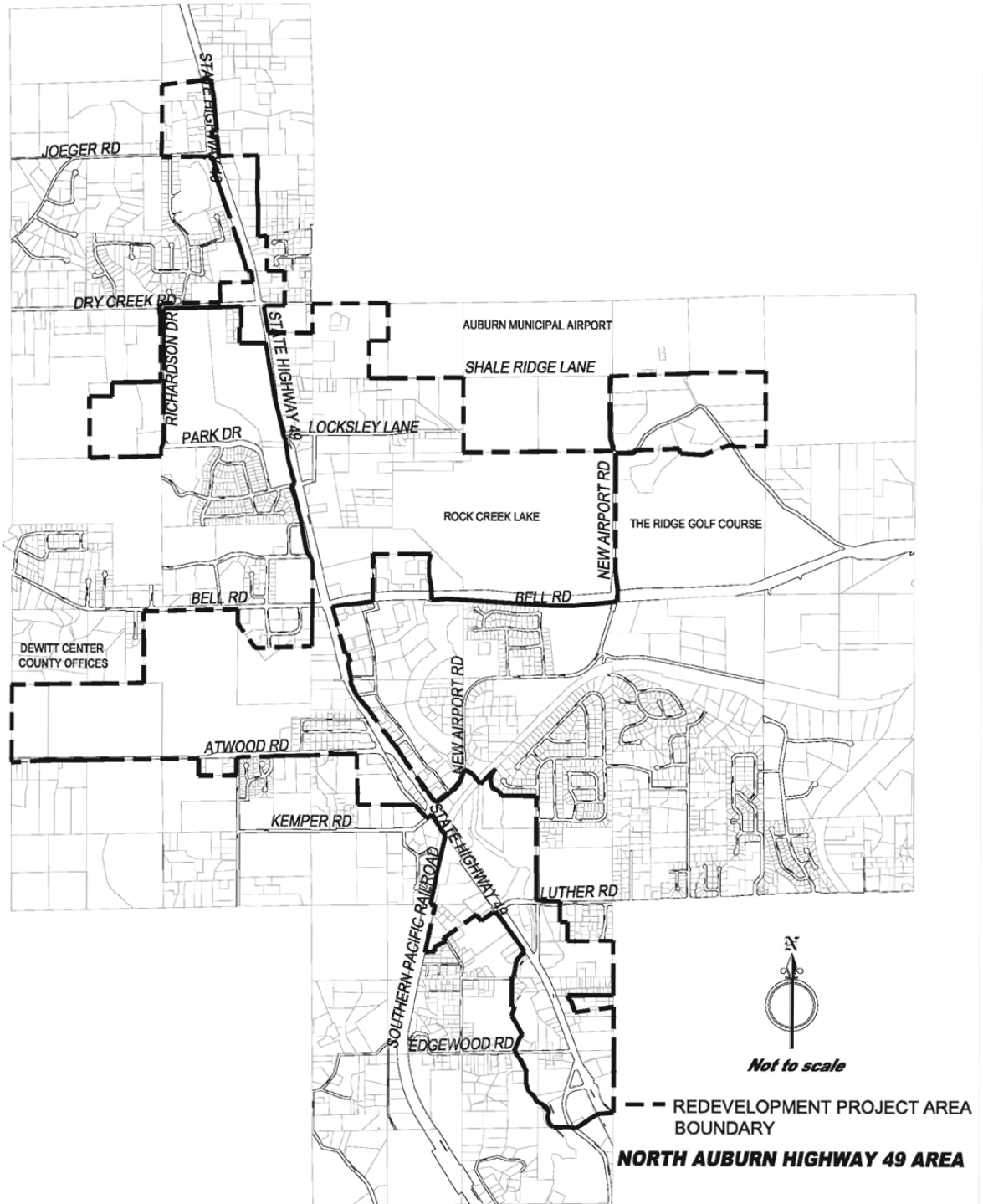
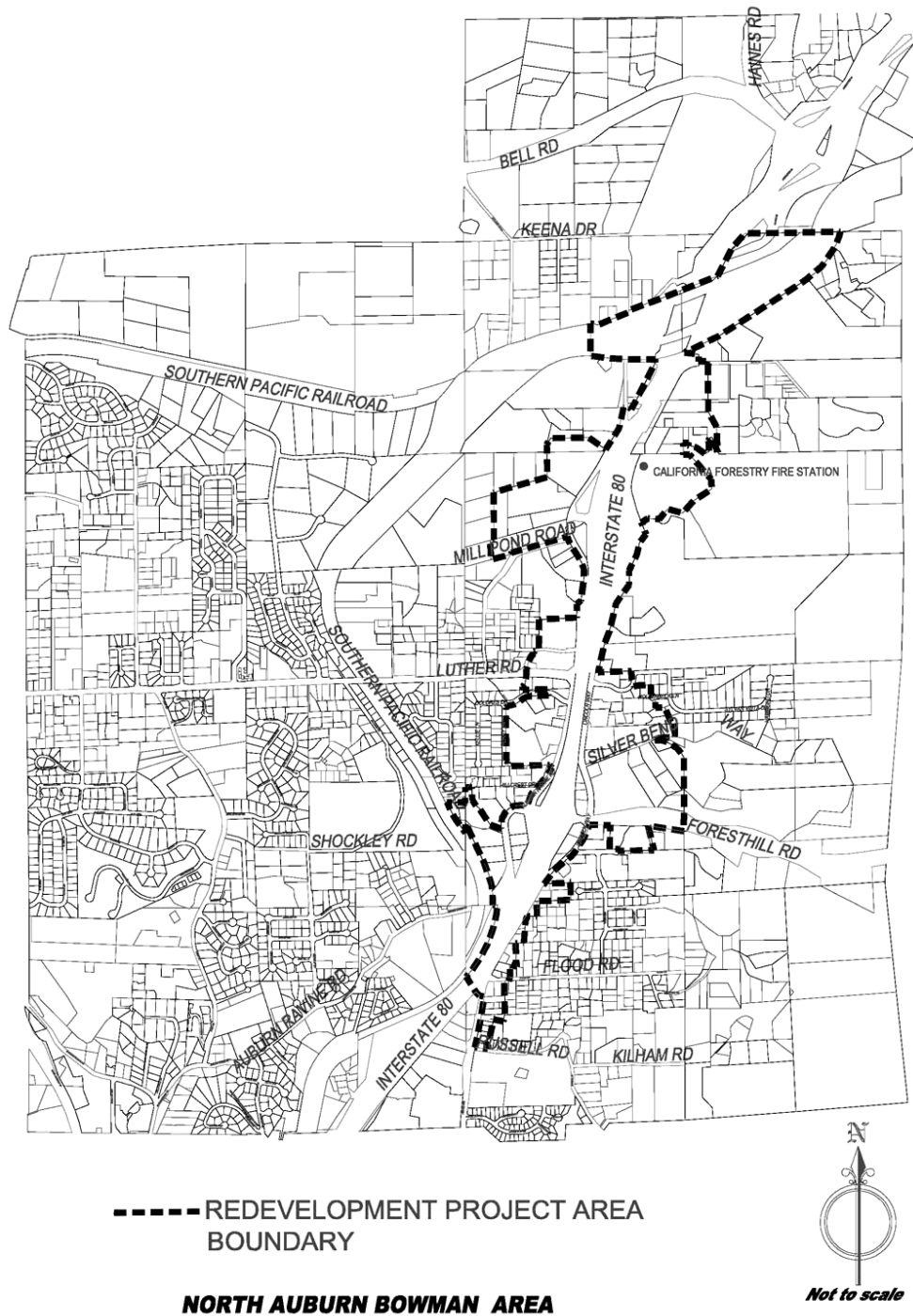


Figure 2

Project Area Map

NORTH AUBURN REDEVELOPMENT PROJECT



Five-Year Implementation Strategy

FY 2002-2007

North Auburn Redevelopment Project Area

II. Relationship of Redevelopment Activities to the Elimination of Blight

Blighting Conditions

Redevelopment projects are established to remedy conditions of blight as defined by the CRL that are in effect at the time a redevelopment project is adopted. The definition of blight, as stated in Section 33031 of the CRL, is set forth below, along with certain adverse conditions noted within the Project Area:

Unsafe/Dilapidated/Deteriorated Buildings. Buildings in which it is unsafe or unhealthy for persons to live or work. Serious building code violations, dilapidation and deterioration, defective design or physical construction, faulty or inadequate utilities, or other similar factors can cause these conditions. Field reconnaissance surveys and an extensive building conditions survey conducted in 1997 confirmed these problems and revealed that a large number of buildings in the area were in relatively poor condition.

Physical Conditions that Limit the Economic Viability and Use of Lots/Buildings. Factors that prevent or substantially hinder the economically viable use or capacity of buildings or lots. This condition can be caused by a substandard design, inadequate size, given present standards and market conditions, lack of parking, or other similar factors.

Incompatible Uses. Adjacent or nearby uses that are incompatible with each other and which prevent the economic development of those parcels or other portions of the project area.

Lots of Irregular Shape, Inadequate Size, and Under Multiple Ownership. The existence of subdivided lots of irregular form and shape and inadequate size for proper usefulness and development that are in multiple ownership.

Depreciated/Stagnant Property Values; Impaired Investments. Depreciated or stagnant property values or impaired investments, including, but not necessarily limited to, those properties containing hazardous wastes that require the use of agency authority as specified in Article 12.5 (commencing with Section 33459 of the CRL).

High Business Turnovers and Vacancies/Low Lease Rates/Abandoned Buildings/Vacant Lots. Abnormally high business vacancies, abnormally low lease rates, high turnover rates, abandoned buildings, or excessive vacant lots within an area developed for urban use and served by utilities.

Lack of Neighborhood Commercial Facilities. A lack of necessary commercial facilities that are normally found in neighborhoods, including grocery stores, drug stores, and banks and other lending institutions.

Residential Overcrowding/Excess of Adult Businesses. Residential overcrowding or an excess of bars, liquor stores, or other businesses that cater exclusively to adults that has led to problems of public safety and welfare.

High Crime Rates. A high crime rate that constitutes a serious threat to the public safety and welfare.

The CRL also characterizes inadequate public improvements as blight when the aforementioned conditions are present. Deficient, deteriorated, and damaged public improvements are distributed throughout the Project Area. Public improvement deficiencies include highways, streets, and intersections with inadequate capacity; unpaved roads; deteriorated paving surfaces; deteriorated, substandard, and inadequate sewer and storm drainage systems; missing curbs and gutters; and the lack of sidewalks, street trees, and pedestrian amenities.

The blight conditions, physical and economic, that were in existence at the time of Redevelopment Plan adoption and documented in the Redevelopment Plan are essentially the same as the current conditions.

Goals of the North Auburn Redevelopment Plan

The Redevelopment Plan goals enumerated below formulate an overall approach for implementation of needed revitalization efforts contained in this Implementation Strategy and will serve as a guide for the Agency's activities over the next five years:

- The elimination of blighting influences and the correction of environmental deficiencies including small and irregular lots, obsolete and aged building types, shifting uses or vacancies, incompatible and uneconomic land uses, substandard, inadequate or deteriorated public improvements, facilities and utilities.
- Conservation, rehabilitation and redevelopment of the Project Area in accordance with the County General Plan, the Auburn/Community Plan, the Bowman Strategic Plan for Business Retention, Expansion, and Attraction, the proposed North Auburn Community Development

Strategy and Design Guidelines, future specific or area plans, this Implementation Strategy, and the Zoning Ordinance, as they now exist or may hereafter be amended.

- Achievement of an environment reflecting a higher level of concern for architectural, landscape, urban design and land use principles appropriate for attainment of the objectives of this Implementation Strategy, the County General Plan, and the proposed North Auburn Community Development Strategy and Design Guidelines, as they now exist or may hereafter be amended.
- The assembly of land into parcels more suitable for modern, integrated development with improved pedestrian, bicycle, and vehicular circulation.
- The replanning, redesign, and development of underdeveloped or poorly developed areas, which are underutilized, or improperly utilized.
- The provision of opportunities for participation by owners and tenants in the revitalization of their properties.
- The strengthening of highway-serving and tourist-oriented retail and other commercial functions in the Project Area.
- The strengthening of the economic base of the Project Area by redevelopment and rehabilitation of structures and installation of needed site improvements.
- The expansion of employment opportunities.
- The expansion of opportunities for improved visual quality of commercial areas and enhanced scenic opportunities of surrounding natural areas.
- The expansion and improvement of housing for low and moderate-income persons.
- Control of unplanned growth by guiding revitalization, rehabilitation, and new development in such a fashion as to meet the needs of the Project Area, the County, and its citizens.
- Elimination or amelioration of constraints to development, including without limitation, accessibility constraints that interfere with proper development by providing, as may be appropriate, street, interchange, and railroad overpass or other improvements.
- To improve access and circulation within the Project Area.

- Provision of assistance, as may be appropriate, to ensure the development, by rehabilitation or new construction, of a range of housing types affordable to various segments of the community, both in the County and in the Project Area, in a manner consistent with the provisions of the County General Plan and the CRL, as they now exist or may hereafter be amended.

Redevelopment and Housing Programs

The following narrative, from the April 1997 North Auburn Redevelopment Project Program Summary, describes the redevelopment and housing programs proposed to be implemented over the duration of the Plan. At the time, it was anticipated that \$5,600,000 would be available for low to moderate-income housing programs and projects and \$14,400,000 for redevelopment programs and projects. These figures were based upon projected tax increment revenue programmed over the life of the Redevelopment Plan in 1996-97 dollars. Current projections of tax increment revenues are identified later in this Implementation Strategy. As with any projections, greater or lesser funding may be available, depending upon changes of assessed valuation in the Project Area.

Redevelopment Programs

Commercial District Revitalization (Bowman and Highway 49/North Auburn Areas). Revitalization of the Bowman and Highway 49/North Auburn commercial areas are a major goal of the redevelopment program. Objectives include elimination of blight, attraction of new economic uses, provision of employment opportunities, and generation of new tax revenues that can be used to finance public improvements and services. It is anticipated that redevelopment would be used to assist in covering the cost of the following activities and programs:

- Streetscape improvements including landscaping, lighting, signage and sidewalks, and other pedestrian amenities.
- Building rehabilitation and façade improvement loans.
- Public parking facilities including commuter parking and, in Bowman, provision for the accommodation of tour buses.
- Special assistance to property owners, businesses, and developers including, as appropriate, gap financing for economically desirable projects.
- Special assistance, as appropriate, to business associations.

- Marketing programs.
- Storm drainage, sewer, and utility systems.
- Land assembly for public improvements and to achieve more economic commercial sites.
- Planning and urban design.
- Code enforcement.

Research/Light Industrial Support (Highway 49 Area). The Redevelopment Plan proposes to use redevelopment to support the attraction of research and development firms and light industry to appropriate, designated areas in the Project Area. The use of redevelopment is designed to enhance employment opportunities and generate new tax revenues. It proposes to use redevelopment to assist in covering the cost of the following programs:

- Assist in the rehabilitation of industrial buildings.
- Provide assistance to property owners, businesses, and developers including, as may be appropriate, gap financing for economically desirable projects.
- Provide special assistance to business associations.
- Develop marketing programs.
- Complete improvements to streets, streetscapes, and accessibility.
- Develop storm drainage, sewer, and utility systems.
- Assemble land to achieve more economic industrial sites.
- Improve signage.
- Develop planning and urban design programs.

Traffic and Circulation Improvements. A number of traffic and circulation improvements were proposed for inclusion in the redevelopment program for the Project Area. Such improvements are necessary for the economic health of the area and the health and safety of shoppers, workers, and residents. Such improvements are anticipated to include, but are not limited to, the following programs:

- Widening and reconfiguration of Highway 49, as may be appropriate, to reduce congestion, enhance safety, and smooth traffic flow.
- Construction of frontage roads in appropriate locations along Highway 49 to minimize hazardous entrance and cross traffic movements.
- Intersections improvements (for example, widening, turn lanes, traffic controls, etc., as may be appropriate, at the Forest Hill/Auburn Ravine/Highway 80 and Bowman/Highway 80 interchanges and the Highway 49/Dry Creek Road, Highway 49/Locksley Lane, Highway 49/Bell Road, Highway 49/Atwood Road, Highway 49/New Airport Road, Highway 49/Luther Road, Highway 49/Nevada Street intersections).
- Construction of the Highway 49/Highway 80 bypasses.
- Improvement of the Highway 49/Dewitt Center connectors.
- Local Street and road improvements including paving, traffic control devices, street lighting, landscaping, curbs, gutters, and sidewalks.
- Construction of storm drainage, sewer, and utility systems related to traffic and circulation improvements.
- Construction of pedestrian sidewalks and bike paths.
- Noise mitigation (for example, construction of sound walls etc.) where appropriate.

Other Public Facilities. It is anticipated that redevelopment will be used to meet the need for other public facilities in the Project Area, as appropriate and to the extent that funds are available. These other public facilities may include:

- Parking facilities for public, county employees, and commuters.
- Park and recreational facilities
- Sheriff and fire protection facilities
- Rehabilitation and construction of County and community facilities at Dewitt Center as permitted by the CRL.
- Storm drainage, sewer, and utility systems.

Hazardous Waste Clean Up. The CRL, beginning with Section 33459, specifically authorizes the clean up by redevelopment agencies of hazardous wastes in redevelopment project areas. The presence of hazardous wastes, which are often a source of soil, ground water, and stream contaminations, can inhibit satisfactory redevelopment of an area. Other contamination may result from illegal dumping. To clean up hazardous wastes, emphasis will be given to the funding of clean up by those parties responsible for the contamination and secondary to ensure the clean up of contamination that cannot be funded by other sources to the extent that such funding is available.

Land Assembly and Relocation. Some land assembly may be required to provide sites for public facilities or to support desirable private development. Business and residential relocation, if any, is likely to be minimal. However, in the event that relocation of businesses or residents is required, all such relocation will be conducted in accordance with the requirements of applicable law, and appropriate relocation assistance will be provided.

Planning and Design. Implementation of the redevelopment program will require ongoing planning which could include preparation of urban design guidelines, streetscape and entrance design studies, designs for public facilities, environmental impact reports, and design assistance for property owners, businesses and developers. Although much of the cost of this work will be covered privately, some costs will need to be funded publicly.

Housing Programs

The CRL required redevelopment agencies to set aside in a separate Low and Moderate-Income Housing Fund (the "Housing Fund") at least 20 percent of all tax increment revenue generated from its project areas for the purpose of increasing, improving and preserving the community's supply of very low, low and moderate-income housing.

The Agency will commit 20 percent or more of its gross tax increment revenues to its Housing Fund. At the time the Project Area was formed in 1997, projections indicated that about \$5,600,000 would be allocated to the Housing Fund over the duration of the Redevelopment Plan.

These set aside funds will be utilized to provide funding for affordable new housing construction, residential rehabilitation, infill housing, and housing for the elderly, both inside and outside of the Project Area. The current Five-Year Projections prepared by Siefel Consulting Inc., the Agency's financial consultant ("Financial Consultant") indicate that approximately \$2,700,000 (out of approximately \$10,200,000 available in tax increment and bond proceeds) would be available.

Redevelopment Activities Undertaken and Blight Conditions Addressed

The Agency used the past five years to conduct studies, establish programs and assessed needs to address the elimination of the blight conditions in the Project Area. The Agency also has implemented several housing improvement programs and is proceeding to initiate several other redevelopment and housing projects and programs in the next five years.

Each program/project used other funding sources besides redevelopment funds and addresses several of the physical and economic blight conditions identified in the Redevelopment Plan. Major programs/projects from the first five years are summarized on Table 1 and 2, which follow:

Table 1

<p style="text-align: center;">NORTH AUBURN REDEVELOPMENT PROJECT Redevelopment Programs/Projects Implemented/Initiated to Date</p>		
Program/Project	Description	Blighting Conditions Addressed
North Auburn Community Development Strategy and Design Guidelines	Adopted a strategic plan to identify land use potentials, physical improvement needs, and opportunities for parcel assemblage/consolidation, business improvement needs and economic development trends; adopted design guidelines for Highway 49 landscaping, facade, building and site improvements.	Substandard Design, Deterioration/Dilapidation; Defective Design; Faulty/Inadequate Utilities; Depreciated Property Values; high Business Vacancies; Abnormally Low Lease Rates; Declining Retail Sales Taxes; Inadequate Public Improvements
Bowman Strategic Plan for Business Retention, Expansion and Attraction	Created an assessment of economic development potential of the area; Identifies market niche and demand for commercial space within an area with identified needs for physical image improvements such as public landscaping, major traffic improvements around the Foresthill Highway 80 interchange, and the development of a small business facade improvement program; The development of a Property Based Improvement District (PBID) to implement the strategy.	High Business Vacancies; Abnormally Low Lease Rates; Declining Retail Sales Taxes; Depreciated Property Values; Inadequate Public Improvements
<p>Implementation Projects</p> <p>1) Assistance to Specific Business in Location or Expansion</p> <p>2) Assistance to New or Expanding Local Business in Real Estate Acquisition</p> <p>3) Business Outreach and Support Program</p>	Programs to address specific requests and needs of the business community for relocation of their facilities, expansion plans, adjustments to their facilities in the form of parking, building rehabilitation, additional property; and business promotion and support.	High Business Vacancies; Abnormally Low Lease Rates; Declining Retail Sales Taxes; Depreciated Property Values; Inadequate Public Improvements; Lack of Parking

Table 1 (continued)		
NORTH AUBURN REDEVELOPMENT PROJECT Redevelopment Programs/Projects Implemented/Initiated to Date		
Program/Project	Description	Blighting Conditions Addressed
Highway 49 Business Retention, Expansion, and Attraction Study	The Study will assess commercial projects and business assistance/retention needs along the Highway 49 corridor within the North Auburn Project. Specifically, the study will establish business community needs and priorities in order to attract both tourists and local customers. Funding will come from CDBG technical assistance grant funds and redevelopment funds.	Substandard Design, Deterioration/Dilapidation; Defective Design; Faulty/Inadequate Utilities; Depreciated Property Values; high Business Vacancies; Abnormally Low Lease Rates; Declining Retail Sales Taxes; Inadequate Public Improvements
North Auburn Phase II Implementation Projects	After the completion of the Highway 49 Business Retention, Expansion, and Attraction Study, specific project implementation activity will begin to address the blight conditions along the corridor. Certain pilot commercial loan programs, landscaping improvements, traffic studies, and other strategic programming projects will be considered to accomplish the study recommendations.	High Business Vacancies; Abnormally Low Lease Rates; Declining Retail Sales Taxes; Depreciated Property Values; Inadequate Public Improvements

Table 2		
NORTH AUBURN REDEVELOPMENT PROJECT Housing Programs/Projects Implemented/Initiated to Date		
Program/Project	Description	Blighting Conditions Addressed
Auburn Court Apartment Project Gap Financing (60% of median family income affordability restrictions)	The Agency and the County assisted in the development of a 60 unit affordable housing project using federal tax credits, CDBG funds, and housing set-aside funds. The complex was completed in January 2001 and is located about a block outside of the North Auburn Project. The units have 50-year affordability covenants that restricts rents to schedules affordable by households at or below 60% of the median family income for Placer County.	Per Redevelopment Law-purpose is to improve and increase affordable housing opportunities
First Time HOME Buyers Assistance Program (Down Payment Assistance)	The County and Agency has made a loan pool of \$620,000 available to make loans to qualified first time buyers. The down payment assistance loan service through Mercy Housing Corporation, acts as gap financing to make the first mortgage payments affordable. As of 2002, homes to be purchased cannot exceed \$253,650 in purchase price and the maximum \$60,000 loan is secured with a second or third trustee deed that is subordinated to private mortgage loans.	Per Redevelopment Law-purpose is to improve and increase affordable housing opportunities

TABLE 2 (continued)		
NORTH AUBURN REDEVELOPMENT PROJECT Housing Programs/Projects Implemented/Initiated to Date		
Program/Project	Description	Blighting Conditions Addressed
Silverbend 72 Unit Affordable Housing Project	The Agency has committed \$100,000 towards land acquisition on 29 units of a proposed new 72 unit multifamily housing project in the Bowman portion of the North Auburn Project. Funding depends on Minor Use Permit approval and evidence of \$9 million in construction financing.	Per Redevelopment Law-purpose is to improve and increase affordable housing opportunities
HELP/CHAFA Gap Financing for New Multifamily Project	The Agency and County has made application to receive approximately \$1 million in State housing funds (CHAFA) towards a new multifamily housing construction project. The funds would be provided as a low-interest loan and debt service will be paid out of housing set-aside funds.	Per Redevelopment Law-purpose is to improve and increase affordable housing opportunities
County-Wide Rehabilitation Program	The program is a county-wide housing rehabilitation program jointly funded by HOME, HELP, and CDBG with housing set-aside funds providing the local match amount. It includes low interest loans to low income households for correction of health and safety and code deficiencies and to extend the life of the dwelling. CDBG funds also support small scale rehabilitations to mobile homes and single family dwellings in the Greater Auburn Area. The program is geared to low income seniors and the disabled. Repair grants for up to \$1,000 per household have been provided. The program is operated by the Foothill Volunteer Center.	Per Redevelopment Law-purpose is to improve and increase affordable housing opportunities

Five-Year Implementation Strategy

FY 2002-2007

North Auburn Redevelopment Project Area

III. Five-Year Implementation Strategy Budget Forecast

At the end of this section, Figures 3 and 4 depict a graphic summary of all estimated Project Area Revenues and all estimated Project Area Expenditures for the Five-Year Implementation Plan.

Table 3, the Five-Year Implementation Strategy Budget Forecast (the "Strategy Budget Forecast") presents a five-year forecast of revenues and expenditures to implement the programs and projects for the Project Area. The Strategy Budget Forecast identifies expenditures for programs and projects as well as sources of funding, specifically beginning balances, tax increment, and bond proceeds. Actual revenues and expenditures may differ from these forecasts and are therefore subject to change.

Tax increment amounts were projected and provided by the Agency's Financial Consultant. Details of the assumptions provided by Agency staff and the Financial Consultant used to develop the forecasts are presented below:

- Revenue and expenditures for FY 2001-02 were based on the current annual Agency budget.
- Future tax increment revenues were projected based on a 2% increase in the secured assessed value in the Project Area; a 1% reassessment adjustment representing increases in assessed value following property reassessment; and an adjustment for new development based on estimates of growth towards build-out provided by Agency staff.
- The FY 2002-03 Beginning Fund Balance is an estimate as of 5-1-02 by Agency staff.
- Debt service payments consist of bond debt service and County loan repayments were not included in the projections. There are no current Agency bonds outstanding and the County loan repayments have been subordinated to implement the Agency projects and programs.
- Taxing agency payments from the redevelopment fund have been calculated pursuant to terms of existing fiscal mitigation agreements.

- Capital project debt service costs or fee obligations were obtained from the current budget or provided by Agency staff.
- Project costs were obtained from the FY 2001-02 budget and Agency staff estimates.

Project Selection Criteria

In 1998, the County Board of Supervisors adopted a project selection criterion that would be used to evaluate all future projects and applications. The criterion is as follows:

- To what extent will the project contribute to the growth of tax increment revenues within the redevelopment area?
- To what extent will the project “leverage” other sources of funding?
- Will the completion of the project in the Agency’s early years provide better guidelines and more extensive criteria for effective allocation of tax increment funds in later years as the revenue levels rise?
- Is the project required to address a specific state requirement within a given time frame such as affordable housing?
- Will tax increment projections for the first years of the Agency’s existence be able to finance the project?
- Are the initial projects small enough in scope or can they be reasonably segmented into specific work tasks so that the Agency does not become overly extended financially in the event of either a down turn in the economy or a project area’s inability to generate tax increment equal to expected projections?

The criterion was used to develop the programs and projects identified in the Implementation Strategy.

Programs, Projects, and Ending Balances

Over the five-year period, the Agency anticipates investing \$4,371,500 in redevelopment programs and projects and \$2,075,000 in housing programs and projects funded and financed from tax increment revenues and bond proceeds.

The Financial Consultant’s projections, provided as Appendix A, indicate that the Agency could issue a tax increment allocation bond that would provide approximately \$7,600,000 million in bond proceeds in FY 2006-07,

depending on financial market conditions and tax increment collections. For FY 2006-07, the bond proceeds have been distributed to fund the planned implementation projects and programs for the year. The Ending Balance of approximately \$3,504,993 in the Redevelopment Fund will be used for on-going or new projects and programs over the following two to three fiscal years.

Since the proposed bond issue would occur probably during the last year of this five-year Implementation Strategy, a ten-year cash flow analysis and sources and uses of funds schedule are being developed by Agency staff to plan the complete use of the funds to fulfill the goals and objectives of the Redevelopment Plan.

Figure 3
FY 2002-2007 North Auburn Redevelopment
Project Area Revenue Sources

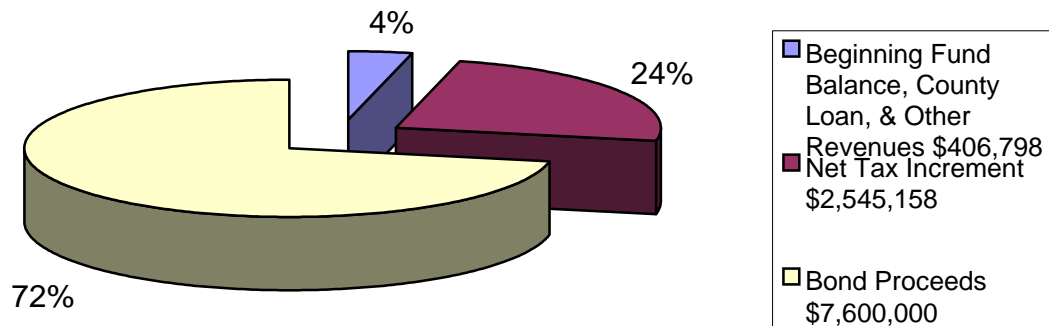
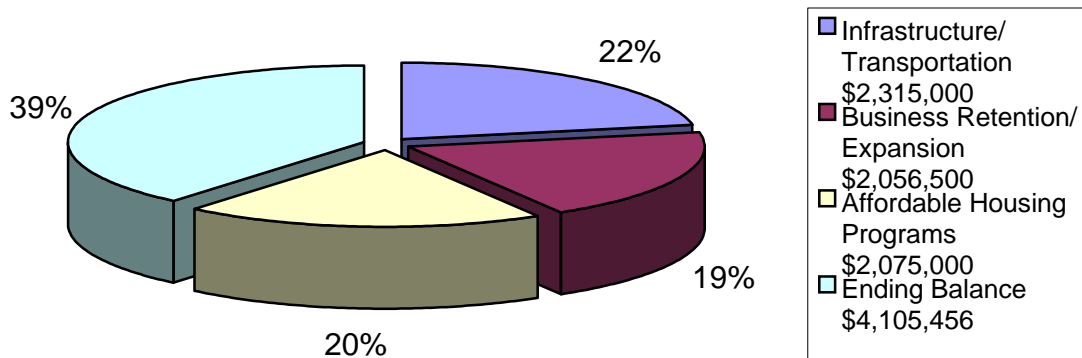


Figure 4
FY 2002-2007 North Auburn Redevelopment Project Area
Expenditures



FIVE-YEAR IMPLEMENTATION STRATEGY
NORTH AUBURN REDEVELOPMENT PROJECT AREA

Table 3						
NORTH AUBURN REDEVELOPMENT PROJECT AREA						
FIVE YEAR IMPLEMENTATION STRATEGY BUDGET FORECAST						
FY 2002-2007 REVENUES AND EXPENDITURES						
REVENUE SOURCES						
REDEVELOPMENT REVENUE (1)	FY2002-03	FY 2003-04	FY 2004-05	FY 2005-06	FY 2006-07	TOTAL
Fiscal Year Beginning Fund Balance (3)	\$ 365,000	\$ 457,730	\$ 355,589	\$ 218,849	\$ 136,366	\$ 365,000
Redevelopment Net Tax Increment (4)	\$ 351,927	\$ 406,886	\$ 464,995	\$ 527,260	\$ 118,627	\$ 1,869,695
County Loan or Carry Over	\$ 20,803	\$ 20,473	\$ 265	\$ 257	\$ -	\$ 41,798
Bond Proceeds (5)	\$ -	\$ -	\$ -	\$ -	\$ 5,600,000	\$ 5,600,000
Subtotal	\$ 737,730	\$ 885,089	\$ 820,849	\$ 746,366	\$ 5,854,993	\$ 7,876,493
HOUSING REVENUE (2)	FY2002-03	FY 2003-04	FY 2004-05	FY 2005-06	FY 2006-07	TOTAL
Fiscal Year Beginning Fund Balance (3)	\$ -	\$ (68,074)	\$ 18,833	\$ 66,867	\$ 107,539	\$ -
Housing Net Tax Increment (4)	\$ 126,926	\$ 146,907	\$ 168,034	\$ 190,672	\$ 42,924	\$ 675,463
County Loan or Carry Over	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Bond Proceeds (5)	\$ -	\$ -	\$ -	\$ -	\$ 2,000,000	\$ 2,000,000
Subtotal	\$ 126,926	\$ 78,833	\$ 186,867	\$ 257,539	\$ 2,150,463	\$ 2,675,463
TOTAL REVENUES (7)	\$ 864,656	\$ 963,922	\$ 1,007,716	\$ 1,003,905	\$ 8,005,456	\$ 10,551,956
REDEVELOPMENT ACTIVITIES AND ESTIMATED EXPENDITURES						
REDEVELOPMENT PROGRAM OR PROJECT (1), (6)	FY2002-03	FY 2003-04	FY 2004-05	FY 2005-06	FY 2006-07	TOTAL
I. Infrastructure/Public Improvements: (Roads-Utilities-Landscaping)						
Highway 49 Area	\$ -	\$ -	\$ -	\$ 50,000	\$ 850,000	\$ 900,000
Bowman Area	\$ 25,000	\$ -	\$ -	\$ 25,000	\$ 850,000	\$ 900,000
Public Signage	\$ 15,000	\$ 60,000	\$ -	\$ -	\$ 50,000	\$ 125,000
Public Safety	\$ 20,000	\$ 20,000	\$ -	\$ -	\$ -	\$ 40,000
Public Facilities	\$ 60,000	\$ -	\$ -	\$ 40,000	\$ 250,000	\$ 350,000
Subtotal:	\$ 120,000	\$ 80,000	\$ -	\$ 115,000	\$ 2,000,000	\$ 2,315,000
II. Business Retention/Expansion: (Loans-Permits-GIS-Org. Capacity)						
Highway 49 Area	\$ 50,000	\$ 135,000	\$ 200,000	\$ 120,000	\$ 850,000	\$ 1,355,000
Bowman Area	\$ 50,000	\$ 135,000	\$ 200,000	\$ 120,000	\$ 850,000	\$ 1,355,000
Strategic/Implementation Planning & PBID Studies	\$ 25,000	\$ 50,000	\$ 60,000	\$ 100,000	\$ 250,000	\$ 485,000
Arch./Engr./Planning/Envir./HAZMAT/Toxics Invest.	\$ 15,000	\$ 100,000	\$ 120,000	\$ 125,000	\$ 175,000	\$ 535,000
Marketing/Public Participation	\$ 20,000	\$ 29,500	\$ 22,000	\$ 30,000	\$ 100,000	\$ 201,500
Subtotal:	\$ 160,000	\$ 449,500	\$ 602,000	\$ 495,000	\$ 350,000	\$ 2,056,500
TOTAL REDEVELOPMENT PROGRAM OR PROJECT	\$ 280,000	\$ 529,500	\$ 602,000	\$ 610,000	\$ 2,350,000	\$ 4,371,500
REDEVELOPMENT ENDING BALANCE	\$ 457,730	\$ 355,589	\$ 218,849	\$ 136,366	\$ 3,504,993	\$ 3,504,993
HOUSING PROGRAM OR PROJECT (2), (6)	FY2002-03	FY 2003-04	FY 2004-05	FY 2005-06	FY 2006-07	TOTAL
Multifamily Rental New Development	\$ 30,000	\$ 20,000	\$ 40,000	\$ 50,000	\$ 550,000	\$ 690,000
Housing Rehabilitation Program (or HOME match)	\$ 135,000	\$ 20,000	\$ 40,000	\$ 50,000	\$ 500,000	\$ 745,000
First Time Homebuyers	\$ 30,000	\$ 20,000	\$ 40,000	\$ 50,000	\$ 500,000	\$ 640,000
TOTAL HOUSING PROGRAM OR PROJECT	\$ 195,000	\$ 60,000	\$ 120,000	\$ 150,000	\$ 1,550,000	\$ 2,075,000
HOUSING ENDING BALANCE	\$ (68,074)	\$ 18,833	\$ 66,867	\$ 107,539	\$ 600,463	\$ 600,463
TOTAL EXPENDITURES (7)	\$ 475,000	\$ 589,500	\$ 722,000	\$ 760,000	\$ 3,900,000	\$ 6,446,500
TOTAL REVENUES (7)	\$ 864,656	\$ 963,922	\$ 1,007,716	\$ 1,003,905	\$ 8,005,456	\$ 10,551,956
TOTAL EXPENDITURES (7)	\$ 475,000	\$ 589,500	\$ 722,000	\$ 760,000	\$ 3,900,000	\$ 6,446,500
TOTAL ENDING BALANCE (7)	\$ 389,656	\$ 374,422	\$ 285,716	\$ 243,905	\$ 4,105,456	\$ 4,105,456

NOTES AND SOURCES:

- (1) Revised input from Redevelopment Agency staff 4/26/02, 5/3/02, & 5/16/02
- (2) Revised input from Redevelopment Agency staff 4/24/02, 5/3/02, & 5/16/02
- (3) Only 5/1/02 Beginning Fund Balance for FY 2002-03; other FY numbers are Carry Over Balances from previous year.
- (4) Seifel Tax Increment Projections and Bond Proceed Estimates for FY 2002-07, March 2002
- (5) FY 2006-07 Bond Proceeds are estimates, depending on actual tax increment receipts. Actual amount may be higher or lower.
- (6) FY 2006-07 Bond Proceeds are indicated as encumbrances or initial deposits to programs or projects and would be carried over to future years.
- (7) The "TOTALS" have been provided as an indication of the projected amount of revenues and expenditures available to implement the Implementation Strategy; Actual amount of revenues and expenditures will be determined by the Agency's Annual Budget, Work Programs and Projects, and Implementation Plans.

Five-Year Implementation Strategy

FY 2002-2007

North Auburn Redevelopment Project Area

IV. Five-Year Redevelopment Implementation Strategy

As required by the CRL, the Agency must specify programs, potential projects, and estimate the expenditures it proposes to expend over the next five-years (FY 2002-03 through FY 2006-07) to complete the Implementation Strategy. The Agency's Financial Consultant prepared the financial assessment of projected tax increment and potential bond revenue that may be generated by the Project Area over the stated period to fund these programs and projects. The Financial Consultant and Agency staff indicated that the Project Area might potentially generate approximately \$7,876,493 in tax increment and bond proceeds designated to redevelopment activities, which is net of the amount required for housing set-aside.

Table 3 and the following narrative describe the redevelopment projects and programs proposed for the next five years. Anticipated expenditures are based upon projected tax increment revenues from FY 2002-03 to FY 2006-07. It is important to note that the actual amount of available funding will be dependent upon increases in assessed valuation in the Project Area.

Figure 4 indicates the general location of redevelopment opportunity sites that were identified in the North Auburn Community Development Strategy and Design Guidelines report. Figure 5 represents the anticipated Redevelopment Fund Revenues and Figure 6 summarizes the Redevelopment Fund Expenditures, both figures are exclusive of Housing Funds.

Infrastructure/Public Improvements

Highway 49 and Bowman Areas. Both areas have several major infrastructure needs that must be addresses to remove blighting conditions and impediments to redevelopment. The projects include, but are not limited to, the Foresthill /I-80 interchange study and improvements, Luther Road improvements, sewer and storm drainage system improvements, Highway 49 connector roads improvements, traffic signals, and park and ride facilities. As studies and designs progress, other projects may be included to the redevelopment program. \$900,000 for each area is forecasted for 2 fiscal years.

Public Signage, Safety, and Facilities Projects. The total of \$515,000 over 4 fiscal years will provide funding for certain public signage, public safety, and public facilities in the Project Area.

Business Retention/Expansion

The Agency will provide economic development assistance to interested private parties to improve their site and facilities, take out a loan to expand their business, develop business plans and marketing programs, assist in the predevelopment and permitting process to facilitate development and business attraction, improve business signage and median area landscaping and plantings, improve the development related data base and resources, and assist in certain toxic site identification and remediation programs. Agency staff anticipates that the majority of projects will be located along Highway 49 and the Bowman Commercial Core area.

Highway 49 Area. \$1,355,000 over 5 fiscal years.

Bowman Area. \$1,355,000 over 5 fiscal years.

Strategic/Implementation Planning & PBID Studies. \$535,000 over 5 fiscal years.

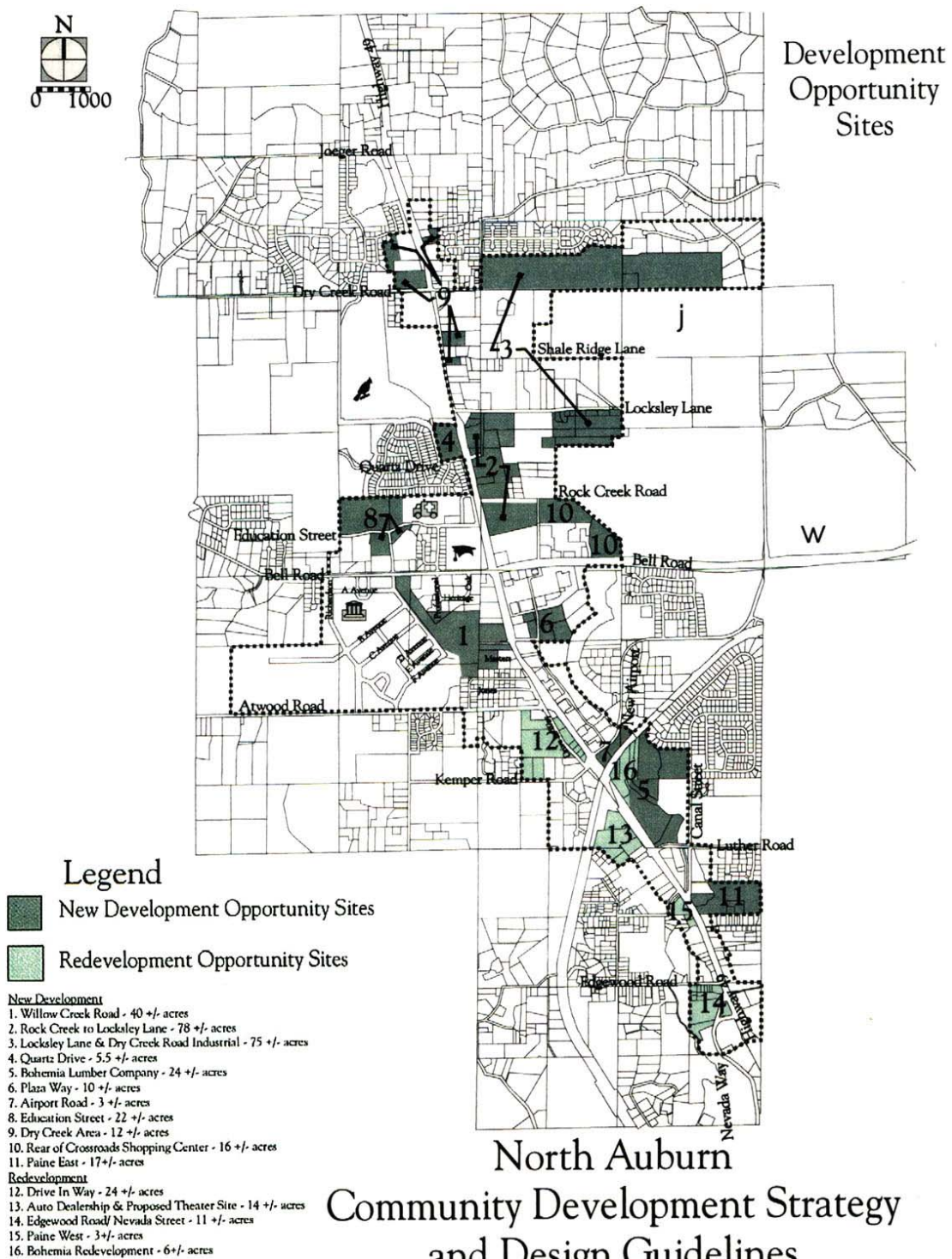
Architecture/Engineering/Planning/Environmental/HAZMAT/Toxics Investigations. \$533,000 over 4 fiscal years.

Marketing/Public Participation. \$201,500 over 5 fiscal years.

Redevelopment Opportunity Sites Along Highway 49

As part of the North Auburn Community Development Strategy and Design Guidelines report, several redevelopment opportunity sites were identified along Highway 49. These sites are generally located north and south of the Southern Pacific Railroad crossing on Highway 49 and range from 3+ acres to 24+ acres. The following Figure 4 indicates the relative location of redevelopment opportunity sites to one and another and to the railroad crossing in the Project Area.

Figure 5



Redevelopment Plan Goals that the Proposed FY 2002-2007 Projects Will Address:

- The elimination and prevention of the spread of blight and deterioration, and the conservation, rehabilitation, and redevelopment of the Project Area in accord with the General Plan, the Redevelopment Plan, the Zoning Ordinance, the Auburn/Bowman Community Plan, the Bowman Strategic Plan for Business Retention, Expansion, and Attraction, the North Auburn Community Development Strategy and Design Guidelines and other applicable plans and laws.
- The elimination or amelioration of certain environmental deficiencies, including substandard vehicular circulation systems; inadequate water, sewer, and storm drainage system; insufficient off-street parking; and other similar public improvement, facility, and utility deficiencies that adversely affect the Project area.
- The retention of as many existing businesses as possible by means of redevelopment and rehabilitation activities and by encouraging and assisting the cooperation and participation of owners, businesses, and public agencies in the revitalization of the Project Area.
- To expand the retail component of the community to provide for the diversification of offerings to encourage retail uses as a draw to new shoppers.
- The creation and development of local job opportunities and the preservation of the community's existing employment base.
- The encouragement of investment by the private sector in the development and redevelopment of the Project Area by eliminating impediments to such development and redevelopment.
- The increase in sales and use taxes; business license taxes, and other fees, taxes, and revenues to the County.
- To eliminate blight through redevelopment activities.
- Enrichment of architectural and design elements to improve the character and quality of development within the commercial, office, and industrial areas.

- To improve the seismic safety of structures and toxic remediation of sites in the Project Area to ensure the health and safety of residents and others.
- To improve public parking, other public facilities, services, including, but not limited to, utility facilities, lighting, public safety, and public transportation.

Conditions of Blight the Above Projects Will Address:

- Factors Limiting the Economically Viable Use/Capacity of Lots/Buildings
- Depreciated/Stagnant Property Values; Impaired Investments (Declining Retail Sales Taxes).
- Abnormally High Business Vacancies/Low Lease Rates.
- Subdivided Lots of Irregular Shape/Size Under Multiple Ownership, obsolete lot width, and depth.
- Public improvement deficiencies that contribute to physical and economic blight such as inadequate highways, streets, and intersections; inadequate capacity; deteriorated paving, missing curbs and gutters; lack of sidewalks, street trees and other pedestrian amenities; and inadequate sewer and storm drainage systems.

Figure 6
FY 2002-2007 North Auburn Redevelopment Project Area
Revenue Sources

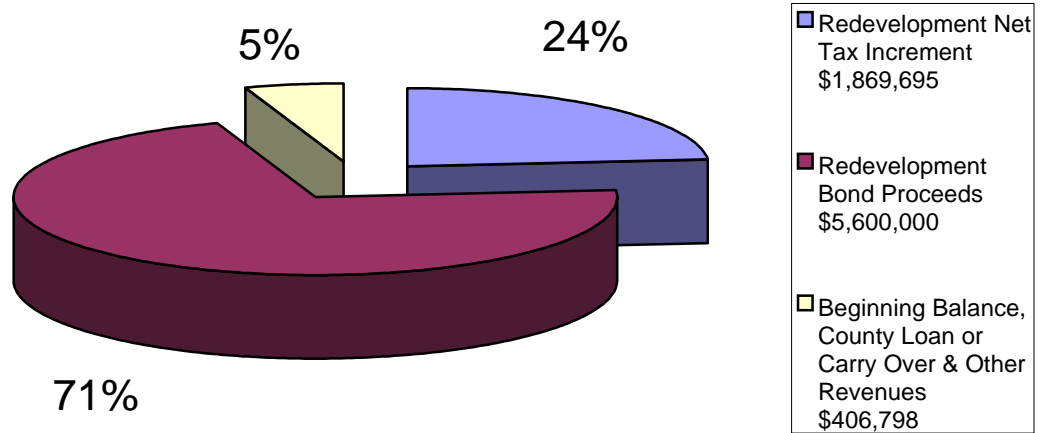
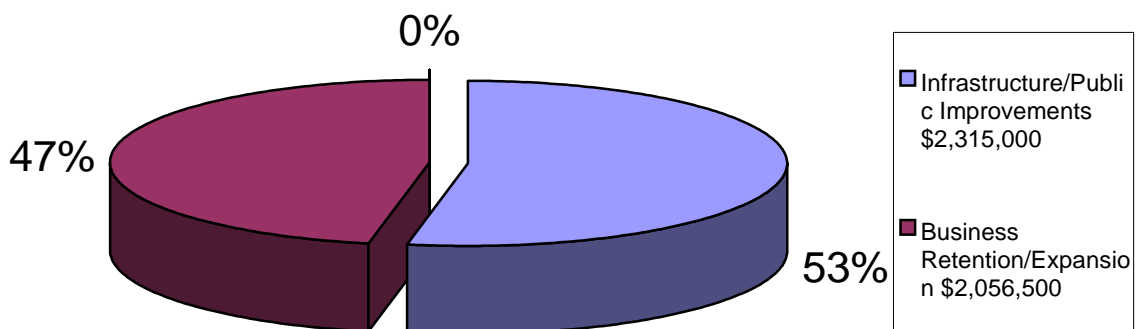


Figure 7
FY 2002-2007 North Auburn Redevelopment
Project Area Expenditures



Five-Year Implementation Strategy

FY 2002--2007

North Auburn Redevelopment Project Area

V. Five-Year Affordable Housing/Workforce Housing Implementation Strategy and Housing Production Plan

The Five-Year Affordable Housing/Workforce Housing Implementation Strategy and Housing Production Plan ("Housing Strategy") delineates both the affordable housing production and replacement housing needs of the Agency over a five-year, ten-year, and life of the Redevelopment Plan planning period. Since both requirements require housing within the Project Area, the Agency will continue to implement various housing programs to ensure that affordable units become available in the Project Area and in the adjacent County area, all in conjunction with the housing strategies of the other redevelopment projects, the Inclusionary Ordinance, the Affordable Housing Strategy, and the County Housing Element.

The Agency currently has a surplus of 12 low to moderate-income housing units per the requirements of the CRL. Therefore, the Agency does not have a housing obligation in the Project Area except for the use of Low to Moderate-Income Housing Set-Aside funds to assist in the production of low and moderate-income housing.

Legal Requirements for Housing Production Plans

Pursuant to the requirements of Section 33413(b)(4) and 33490(a)(2) and (3) of the CRL, this plan sets forth the Agency's program, the Housing Strategy, for ensuring that the appropriate number of very low, low, and moderate-income housing units will be produced as a result of new construction or substantial rehabilitation.

To address the problems that arose from the redevelopment of low and moderate-income housing, the state legislature enacted a series of changes to the CRL that require agencies to undertake activities that will assist in the production of low and moderate-income housing.

The CRL (*H&S Code Sections 33000 et. seq.*) states that one of the fundamental purposes of redevelopment is to improve the supply of low and moderate-income housing in the community. The CRL requirements

are specific to the year in which the Project Areas were adopted. The requirements are as follows:

- In a redevelopment project area adopted or amended on or after January 1, 1976, a fixed percentage of all housing constructed in the project area must be affordable to low and moderate-income households (***the inclusionary rule, Section 33413(b)***).

The ***inclusionary rule*** does apply. However, as stated earlier, a review of the units constructed in the Project Area during the last five years demonstrate that the Agency has a surplus of 12 units in the Project Area. See Table 12 for the specific calculations.

- Redevelopment agencies must replace low and moderate-income housing that is removed as a result of redevelopment activities in a project area or amended project area adopted on or after January 1, 1976 (***the replacement rule, Section 33413(a)***). The replacement rule applies to pre-1976 projects as of January 1, 1996.

The ***replacement rule*** does not apply since the Agency has not removed any low and moderate-income housing as a result of redevelopment activities.

- No less than 20 percent of tax increment revenue must be expended to increase, improve, and preserve the supply of low and moderate-income housing in the community (***the set-aside rule, Section 33334.2***) in a project area established on or after January 1, 1977. Project areas adopted prior to 1977 were able to defer set-aside contributions if certain findings were made prior to January 1, 1986. As of July 1, 1996, all project areas, regardless of their adoption date, must meet the set-aside requirement.

The ***set-aside rule*** does apply to the Project Area. The Housing Strategy will address how the funds will be utilized to improve the supply of low and moderate-income housing in the Project Area and the County.

Contents of the Housing Strategy

This Housing Strategy has been developed to accomplish the following goals:

- To forecast the estimated number of dwelling units to be

developed or substantially rehabilitated by the Agency between FY 2002-03 and FY 2006-07, inclusive;

- To project the availability of County/Agency and other revenue sources for funding affordable housing production;
- To identify implementation policies/programs and potential sites for affordable housing development;
- To establish a timeline for implementing this Housing Strategy to ensure that the requirements of Section 33413 are met during FY 2002-03 through FY 2006-07 and for a 10 year period; and
- To review the consistency of Agency affordable housing goals, objectives, and programs pursuant to the County General Plan Housing Element ("Housing Element").

Existing and Projected Housing Needs

On September 20, 2001, the Sacramento Area Council of Governments (SACOG) adopted the Regional Housing Needs Plan ("RHNP") for the region that includes Placer County. The RHNP allocates to cities and counties their "fair share," shown on Table 4, of the regions' projected housing needs by household income group over a five-year planning period linked to each jurisdiction's housing element.

The RHNP identifies and quantifies existing needs for each jurisdiction and does not allocate to any jurisdiction more total units than the currently plan to accommodate according to their respective housing elements. Each jurisdiction's housing element addresses the current and future adequacy of housing for all income groups and how it would implement programs and projects to achieve the goal of providing safe and decent housing for all population and income groups.

To achieve this goal, the County and Agency has to plan and direct its redevelopment program and use of its housing set-aside funds to those groups with the greatest need in terms of income. The following housing characteristics serve as an indication of where this need is and provides program/project selection criteria for the use of the housing set-aside funds.

Placer County Housing Market

As of July 1, 2001, the California State Department of Finance ranked Placer County as the top of the ten fastest growing counties based on percentage change. The population was estimated at 261,500, a

percentage change from the previous year of 5.06%. According to the November 2001 "Placer County Economic and Demographic Profile 2001" prepared by the Sacramento Regional Research Institute, Placer County's attractions continues to be employment, housing and the superior quality of life, all resulting in net domestic immigration. The 2000 Census documents Placer County's population growth from the 1990 Census at 44%. SACOG projects the County's population, excluding the Tahoe Basin, to reach 415,000 by 2025.

To accommodate the population growth for the period of 2000-2007, SACOG has projected Placer County and the area of unincorporated portion of the County as having the following new dwelling unit needs by income categories:

Table 4							
Fair Share Housing Allocation							
	2000-2007		ADDITIONAL DWELLING UNITS				
	2000 Units	2007 Units	VL Units	Low	Moderate	Above Moderate	Total Units
Placer County	110,057	142,570	8,181	5,932	6,567	11,833	32,513
Unincorp.	49,240	57,881	2,264	1,801	1,797	2,779	8,641
PERCENTAGE INCREASE OF UNITS FROM YR 2000							
Placer County	N/A	29.50%	25.20%	18.30%	20.20%	36.40%	
Unincorp.	N/A	17.50%	26.20%	20.90%	20.80%	32.20%	

Source: SACOG RHINA Plan 2001

Between the 1990 Census and the 2000 Census, Placer County's population grew from 172,796 to 248,399, a 44% increase, and its housing stock grew from 77,879 to 107,302 units, a 37.8% increase. The total number of persons per household increased during this period from an average of 2.22 persons per household to 2.31 per household, a 4.3% increase. While this growth was occurring, a review of the housing starts for Placer County indicate that almost all the construction of a new unit occurred in the single-family dwelling category.

Table 5				
PLACER COUNTY HOUSING STARTS				
	1990-1999			
	Single-Family	2-4 Units	5+ Units	Total
Placer County	26,175	101	3,927	30,203
Unincorp.	6,765	40	72	6,877

Source: Placer County Building Department 2002

The 1990 Census and 2000 Census data used in this report has been provided to the public in certain various geographic levels. Information for Placer County is at the Census County Division level ("CCD"). The CCD that covers the geographic area of North Auburn Redevelopment Project area and the North Auburn and the City of Auburn area is the "Auburn CCD" and is comprised of eight census tracts. These tracts are:

203.00	204.00	205.00
215.01	215.02	216.00
218.01	218.02	

For the 1990 Census, the Auburn CCD was identified as the "Auburn Division," which contained the same census tracts as listed above. The reference to the Auburn CCD means census data from the 2000 Census and when the Auburn Division is used, it means census data from the 1990 Census.

Rental Housing

The great majority of housing in the Auburn CCD is ownership housing. Few apartments are located in the area and fewer units are available for rent. Information provided by local real estate companies and rental agents, a review of the classified section of the Auburn Journal, research through several websites with access to the Multiple Listing Services (MLS) data, the Sacramento Bee, and the Placer County Association of Realtors ("PCAR") indicate January 2002 rents range from:

Table 6			
Market Rents			
Unit	Number of Listings	Lower Range	Upper Range
1BR/1BATH	14	\$650	\$775
2 BR/1-2 Bath	15	\$650	\$950
3BR/2-3BA	0	NA	NA
Townhouse/Duplex	10	\$695	\$1,195
Single-FamilyHomes	14	\$950	\$1,800
Mobile Home	1	\$625	\$625

Sources:

- 1) Placer County Association of Realtors January 2002
- 2) Auburn Journal January 2002
- 3) Web Multiple List Service (MLS) January 2002
- 4) Sacramento Bee Website January 2002

All sources indicate a very tight rent and leasing market in all types of rents with vacancies below 3%. The Placer County 2000 Census shows the

homeowner vacancy rate at 1.2% and the rental vacancy rate at 6.4%, which includes a large number of houses that are used seasonally, recreationally and occasionally in the Tahoe Basin.

Ownership Housing

For 2001, the median price for a single-family house in the North Auburn/Auburn/Newcastle area was \$279,500, according to statistics provided by Placer County Association of Realtors ("PCAR"). For January 2002, it was \$289,500, a 3.6% increase. Prices tended to be generally higher in the Auburn area because most of the supplies of new houses were in the Roseville and Rocklin area, making it more of a sellers market locally.

Over 53% of the units were sold in 60 days or less indicating a strong market. A majority of the units were sold in the price range of \$200,000 to \$399,999.

Table 7				
SINGLE-FAMILY HOME SALES				
January 2002				
Area	Units Sold	Range	Average	Median
Placer County	242	N/A	\$302,355	\$250,000
North Auburn/Auburn/Newcastle Area	32	\$89,000-\$429,000	\$306,850	\$289,500

Source: Placer County Association of Realtors January 2002

Housing Affordability

As of 2002, the median income for a family of four persons in Placer County was \$57,300. Assuming that the potential homebuyer within each Affordable Housing income group has sufficient credit, down payment (10%) and closing costs (3%), and maintains affordable housing expenses (no more than 30% of gross income including mortgage/rent, utility, and taxes), and estimate of the maximum affordable housing costs and home prices can be determined.

Housing affordability is dependent upon income and housing costs. The California State Department of Housing and Community Development (HCD) establishes the following income categories based on the County's median family income:

- Very-Low Income household (31-50% MFI)
- Low-Income household (51-80% MFI)
- Moderate-Income household (81-120% MFI)

Consequently, Table 8 illustrates the affordable housing cost by income group:

Table 8				
Affordable Housing Costs by Income Categories				
Income Group	Income Levels		Max Affordable Price	
	Annual Income	Affordable Payment	Home Costs	Rental
Very Low				
One Person	\$20,050	\$501	\$34,000	\$501
Small Family	\$25,800	\$644	\$47,000	\$644
Large Family	\$30,950	\$774	\$58,000	\$774
Low				
One Person	\$32,100	\$702	\$80,000	\$602
Small Family	\$41,250	\$902	\$100,000	\$773
Large Family	\$49,500	\$1,083	\$120,000	\$929
Moderate				
One Person	\$48,150	\$1,287	\$140,000	\$1,103
Small Family	\$61,900	\$1,654	\$180,000	\$1,418
Large Family	\$74,250	\$1,986	\$215,000	\$1,702

Notes:

1. U.S. Census: Small Family = 3 persons; Large Family = 5 or more persons
2. Monthly affordable rent, including utility allowance, based on payments of no more than 30% of household income
3. Property taxes and insurance based on averages for the area and included in payment
4. Calculation of affordable home sale prices based on a down payment of 10%, annual interest rate of 8%, 30-year mortgage, and monthly payment of gross household income of no more than 25% to 30%. Home costs calculations rounded to thousands.

Source:

California Redevelopment Law and California State Department of Housing & Community Development income statistics for 2002.

Information from local and regional real estate firms show that most of the housing being sold in the general area are in the \$200,000 to \$399,999 price range, resulting in only the moderate-income, large family able to afford a market rate home. If the January 2002 median home price of \$258,000 is considered, none of the very low, low, or moderate-income groups are able to afford a home in Placer County. The affordability

becomes even more of a problem when the median home price of \$289,500 for the Auburn area is considered. Additional augmentation funding programs must be made available, such as first-time homebuyer programs, Fannie Mae, FHA, CDBG Program, HOME, and other state or federal programs, for these very low to low-income groups to purchase a home.

Taking into consideration that 2-bedroom apartment rents range from \$650/month to \$950/month, the small family low-income category group can afford the mid-range of the rental costs. However, there are a very few of these units available at this rental price.

Age and Housing Stock Condition

The age of housing is often an indicator of housing condition. Many federal and state programs use age of housing as one factor to determine housing rehabilitation needs. As shown in Table 9 below, over 35.82% of the housing stock in Auburn CCD was built in 1969 or earlier and is over 30 years old. Housing structures thirty years or more of age is typically the accepted age standard for housing units needing major rehabilitation, particularly roofing, plumbing, A/C/heating and wiring improvements.

Table 9		
Age of Housing Stock in Auburn CCD		
Year Unit Built	Number	% of Total
1990-2000	2,033	11.90%
1985-1989	2,517	14.70%
1980-1984	2,033	11.90%
1970-1979	4,406	25.70%
1960-1969	1,917	11.20%
1950-1959	1,822	10.60%
Prior to 1950	2,391	14.00%
Total	17,119	100.00%

Note: Auburn CCD includes Auburn City and North Auburn CDP Census Divisions

Sources: 1. U.S. Census, 1990 and 2000

2. Placer County Building Department, February 2002

Other Indicators of Housing Affordability

Other indicators of housing affordability, generally Census data categories identifying Overcrowding, Low-Income, Poverty and Public Assistance Groups, Elderly and Senior Citizens, Disabled, Large Household Groups

(5+ persons), Female Head of Household Groups, and Homeless, will be addressed in the update of the County Housing Element. Currently, the draft of the new Housing Element is undergoing review and comment. Agency staff anticipates that the County Board of Supervisors will consider the adoption of the Housing Element in FY 2002-03.

Any new information generated by the new Housing Element that would impact the Implementation Strategy will be addressed during the Implementation Strategy mid-term public hearing, to be held between the second and third year of the five-year period.

Affordable Housing Production Needs

The following discussion contains all of the required components pursuant to Section 33490 (a)(2) of the CRL:

- **The amount available in the Low and Moderate-Income Housing Fund and the estimated amounts which will be deposited in the Low and Moderate-Income Housing Fund during each of the next five years.**

As of July 1, 2001, the beginning balance in the Low and Moderate Income Housing Fund was \$69,146. Over the next five years, the deposits to the Low and Moderate-Income Housing Fund are estimated at \$126,926 in 2002-03, \$146,907 in 2003-04, \$168,034 in 2004-05, \$190,672 in 2005-06, and \$214,622 plus \$2,000,000 in anticipated bond proceeds in 2006-07.

Table 10						
Housing Tax Increment Set-Aside Projections						
Project Area	2002-2003	2003-2004	2004-2005	2005-2006	2006-2007	Total
North Auburn	\$126,926	\$146,907	\$168,034	\$190,672	\$214,622	\$847,161

Source: Seifel Consulting, Inc., March 2002, Projections do not include administration costs or bond debt service

The aggregate amount of tax increment deposited into the Agency's Low and Moderate-Income Housing Set-Aside Fund during the preceding four fiscal years (FY 97/98 – FY 00/01) was \$254,003. At the beginning of FY 2001/2002, the Agency's Project Area Housing Fund balance was \$69,146, indicating the Agency has no excess surplus accumulated as defined by the CRL.

- **A housing program with estimates of the number of new, rehabilitated, or price-restricted units to be assisted during each of the five years and estimates of the expenditures of moneys from the Low and Moderate-Income Housing Fund during each of the next five years.**

At the time of the Redevelopment Plan adoption, there are 366 residential units in the Project Area. The County General Plan, community plans, and the zoning ordinance will determine the maximum number of units that may be developed during the life of the Plan. Since new residential units are allowed both within the Project Area and outside it as well, the Agency anticipates providing assistance for the construction or rehabilitation of 258 residential units both inside and outside the Project Area over the next five years.

Table 11			
North Auburn Redevelopment Project			
Affordable Housing/Workforce Housing Assistance Goals			
Five Year Assistance Goals			
Fiscal Year	Program	Household Assisted	Set-Aside Expenditures
2002/2003	Multi-Family Rental New Construction	0	30,000
	Housing Rehabilitation Program	80	135,000
	First Time Home Buyer Program	3	30,000
	Total FY 2002/2003	83	\$195,000
2003/2004	Multi-Family Rental New Construction	30	20,000
	Housing Rehabilitation Program	5	20,000
	First Time Home Buyer Program	5	20,000
	Total FY 2003/2004	40	\$60,000
2004/2005	Multi-Family Rental New Construction	0	40,000
	Housing Rehabilitation Program	20	40,000
	First Time Home Buyer Program	5	40,000
	Total FY 2004/2005	25	\$120,000
2005/2006	Multi-Family Rental New Construction	30	50,000
	Housing Rehabilitation Program	5	50,000
	First Time Home Buyer Program	5	50,000
	Total FY 2005/2006	40	\$150,000
2006/2007	Multi-Family Rental New Construction	40	550,000
	Housing Rehabilitation Program	20	500,000
	First Time Home Buyer Program	10	500,000
	Total FY 2006/2007	70	\$1,550,000
Total	Total FY 2002/2007	258	\$2,075,000

Ten Year Assistance Goals and to End of Plan			
2002/2007	Five Year Assistance Programs	258	\$2,075,000
2007/2012	Ten Year Assistance Programs	242	NA
2012/2027	To End of Plan	500	NA
Total	Total FY 2002/2027	1,000	NA

Source: Placer County Redevelopment Agency Staff, May 2002

An additional 242 units of new construction are planned for the second five-year period and another 500 units are projected through the life of the Redevelopment Plan. The projected Project Area totals for households assisted from FY 2002 to FY 2027 are projected to be 1,000 households for this 25-year period to the end of the Redevelopment Plan.

During the years when Table 11 indicated that there were “0” households assisted in the “Multi-Family Rental New Construction” category, Agency staff has indicated that in those years, it would be a start up year and that the households assisted would be reflected in the Household Assisted column in the following year.

- **An estimate of the number of new, substantially rehabilitated or price-restricted residential units to be developed or purchased within one or more project areas, both over the life of the Redevelopment Plan and during the next ten years.**

As stated above and beginning in FY 2002-03, the Agency anticipates the construction or rehabilitation of 258 units over the next five years, an additional 242 units assisted over the additional five year period and 500 units over the remaining life of the Redevelopment Plan, for a total of 1,000 units.

- **An estimate of the number of units of very low, low and moderate-income households required to be developed within the Project Area in order to meet the requirements of Section 33413(b)(2) of the CRL, both over the life of the Redevelopment Plan and during the next ten years.**

Agency staff expects the development of 200 new or substantially rehabilitated dwelling units by public or private entities or persons other than the Agency during the next ten years and another 200 units by the end of the life of the Redevelopment Plan. Assuming that the developments all include 7 units or more, thereby triggering the requirements of the Agency’s Inclusionary Housing Ordinance, the estimate of the required very low, low and moderate-income households required to be developed within the Project Area is 30 units for the next ten years and 30 additional units over the life of the Redevelopment Plan, for a total of 60 units.

As mentioned above, the Agency projects the construction or rehabilitation of 1,000 Agency assisted residential units, both inside and outside of the Project Area, with long-term affordability covenants meeting the requirements of Section 33413 (b) (2) of the CRL from FY 2002-03 to FY 2026-27, the end of the Redevelopment Plan life.

Additionally, the Agency currently has 12 surplus units that are shown on Table 12, below, that would be applied to any future requirement.

Table 12					
North Auburn Affordable Housing Obligations					
1997-2001	New Construction		Substantially Rehabilitated		Total
	Non-Agency	Agency	Non-Agency	Agency	
Units Produced	1	0	4	0	5
Inclusionary Requirements ^{(1) (2) (3)}	LMI = 15%	LMI = 30%	LMI = 15%	LMI = 30%	
	VLI = 6%	VLI = 15%	VLI = 6%	VLI = 15%	
Inclusionary Units	LMI = .15	0	LMI = .60	0	LMI = .75
	VLI = .06	0	VLI = .24	0	VLI = .30
Deed-Restricted Units ⁽⁴⁾			14 VLI		14 VLI
Affordable Housing Surplus or Deficit	Surplus of 12 Units				

- Notes: 1. LMI is "low to moderate income" households, 51% to 120% of area median family income
2. VLI is "very low income" households, 0% to 51% of area median family income
3. The Inclusionary Housing Ordinance adopted October 2001 does not affect these requirements
4. Deed restricted units- 45 years for ownership units and 55 years for rental units.

Source: Place County Redevelopment Agency, 2002

The 12 surplus units and the 1,000 Agency assisted units would offset and exceed the estimated 60-unit requirement from FY 2002-03 to FY 2026-07, the end of the Redevelopment Plan.

- **The number of units of very low, low, and moderate-income households which have been developed within the Project Area which meet the requirements of Section 33413(b)(2) of the CRL.**

The Agency has 29 units that have been developed outside of the Project Area of which it can count 14 units that meet the requirements of Section 33413 (b) (2).

- **An estimate of the number of Agency developed residential units which will be developed during the next five years, if any, which will be governed by Section 33413(b)(1).**

The Agency does not anticipate directly developing any residential units during the next five years, nor does it anticipate directly rehabilitating any units. Therefore, the requirements of this section do not apply to the Project Area.

- **An estimate of the number of Agency developed units for very low, low, and moderate income households which will be developed by the Agency during the next five years to meet the requirements of Section 33413(b)(1) of the CRL.**

The Agency does not anticipate developing any residential units during the next five years. Therefore, the requirements of this section do not apply to the Project Area.

Replacement Housing Production Needs

The requirements of this section do not apply to the Project Area, as this Implementation Strategy does not propose any projects that will result in the destruction or removal of dwelling units. However, in event that this occurs, the Agency will comply with the requirements of Section 33413(a) of the CRL.

Estimated Housing Program Resources

One of the Agency's primary sources of revenues for housing program implementation is the annual 20% housing set-aside deposits. The CRL requires that not less than 20% of all tax increment revenue allocated to the Agency must be used to increase, improve, and preserve the community's supply of housing available, at affordable housing cost, to persons and families of very low, low, and moderate- incomes.

As set forth by Section 33333.4 of the CRL, it is stated policy of the California State Legislature that, "...it shall be the policy of each Agency to expend, over the duration of the redevelopment plan, the moneys in the low and moderate-income housing fund to assist housing for persons of low and very low-income in at least the same proportion as the total number of housing units needed for those income groups which are not being provided by other governmental programs bears to the total number of units needed for persons of moderate, low, and very low-income within the community."

Table 3 presents projected housing fund revenues that may be available for housing production activities over the duration of the current planning period. The forecast of revenues is based on a review of new development; property sales, outstanding assessment appeals, and a conservative 2% growth rate in Project Area secured assessed values beginning in fiscal year 2002-03. Available funds are net of current planning commitments, including existing debt to the County, bond debt service, and administrative costs.

In total, the Agency could accumulate approximately \$675,463 to fund housing programs by FY 2006-07. With the expected bond issue also in FY 2006-07, the accumulation of project income, tax increment and bond proceeds would change this amount to approximately \$2,675,463. As described in the following section, these funds are proposed for implementation initiatives in meeting the Agency's set-aside requirements for the current planning period.

Other funding sources are available from local, State, Federal and non-profit organizations and when combined or leveraged with redevelopment housing set-side funds, the total resources may allow a certain infeasible affordable housing project become financially feasible. The County receives CDBG and HOME funding directly from the State of California Department of Housing and Community Development. Both programs have key components to assist low-income households. Depending on which programs, certain funds can be used for new construction of housing, acquisition, rehabilitation loans and grants, homebuyer assistance, and some housing/planning studies while the other program would include assistance to low-income neighborhoods, economic development, homeless assistance, public improvements, and public services.

Proposed Implementation Initiatives, Program/Project Selection Criteria, and Affordable Housing Requirements

The Agency has itemized potential affordable housing programs intended to address its use of its housing set-aside funds over the current planning period. At this juncture, the Agency is still formulating specific housing projects so estimates of timing and scale are preliminary. However, in addition to the CRL, the requirements, the program/project selection criteria, and the implementation initiatives are in place to lead and to guide the development of housing programs and housing projects. These are:

County Housing Element. The County Housing Element contains adopted, affordable housing goals and policies that provide criteria to select programs and projects to address the County's housing needs. The Housing Element is currently in the process of being updated and the final adopted document will contain updated goals and policies for the Agency to assist in providing housing opportunities to low to moderate-income households.

Placer County Affordable Housing Strategy. In April of 1999, The County Board of Supervisors adopted the Placer County Affordable Housing Strategy. This strategy outlined goals, policies, and objectives to address the affordable housing needs of the County. The Affordable Housing

Strategy will continue to provide the guidance and framework to implement this Housing Strategy. The housing programs should focus upon:

- The preservation of the existing housing stock through the rehabilitation of substandard housing.
- The delivery of first-time home ownership programs that target low and moderate-income families.
- Assisting in the production of new rental housing within target communities.

Inclusionary Housing Ordinance. During October of 2001, the County Board of Supervisors conducted a public hearing regarding the adoption of an Inclusionary Housing Ordinance within the boundaries of the North Lake Tahoe and North Auburn Redevelopment Project Areas. The Inclusionary Housing Ordinance was adopted and it established an inclusionary requirement that 15% of all new dwelling units in a new residential development of seven (7) units or more within the boundaries of the two aforementioned redevelopment project areas be affordable to moderate, low and very low-income households consistent with Section 33413 of the CRL.

Anticipated Housing Projects and Programs

The CRL required redevelopment agencies to set aside in a separate Low and Moderate Income Housing Fund (the "Housing Fund") at least 20 percent of all tax increment revenue generated from its project areas for the purpose of increasing, improving and preserving the community's supply of very low, low and moderate-income housing.

The Agency will commit 20 percent or more of its gross tax increment revenues to its Housing Fund, which includes beginning balances and bond proceeds, projected to be about \$2,675,463 from the Project Area. Figure 7 represents the anticipated Housing Fund Revenues and Figure 8 indicates the Housing Fund Expenditures. Both figures are exclusive of Redevelopment Funds. These funds will be utilized in order to provide loans to very low, low, and moderate-income families who are first time buyers, developers of new construction multifamily housing and for housing rehabilitation, both inside and outside of the Project Area and in fulfillment of the goals and policies of the County's Housing Element, Affordable Housing Strategy, and Inclusionary Ordinance.

Housing Programs and Projects

Multifamily Rental New Development. The Agency staff will identify new multifamily housing projects in the County, targeting certain areas within the Project Area and in North Auburn for the construction of approximately 100 affordable rental units over the five-year period. The developments would likely be in three or four different developments with approximately 25 units in each complex. Most of the anticipated \$690,000 projected budget funds will come from bond proceeds.

Housing Rehabilitation Program. The County-wide Housing Rehabilitation Loan Program provides low interest loans to lower income households for rehabilitation activities. The maximum loan amount is \$60,000 per owner-occupied or rental housing unit and \$5,000 for mobile home rehabilitation. Priority is given to substantial rehabilitation projects and to comply with code standards. The Program, with \$745,000 in anticipated funded for 5 fiscal years, is for applicants at or below 80% of the County median income, and will be targeted towards the residential areas in the Project Area and in the areas immediately around the Project Area.

This program includes a "HandyPerson Program" that provides up to \$1,000 in grant funds per household for health and safety repairs and code deficiencies for low-income seniors, 62 and older, who are living on a fixed income and who live in the unincorporated areas of the County. Disabled persons may also apply to the program, which is currently funded by CDBG program income funds.

First Time Homebuyers Program. The County and the Agency has made an initial loan pool of \$620,000 available to make loans to qualified first time homebuyers. Mercy Housing Corporation provides the program servicing, which provides down payment assistance in a loan amount to a maximum of \$60,000 for a home that cannot exceed \$253,650 in purchase price. The program or a similar program will be funded with housing set-aside funds for 5 fiscal years in an amount of \$640,000.

If available, the above programs will be augmented by CDBG funds, HOME funds, and other State and Federal grants and loan programs.

Other Implementation Initiatives or Program Continuation

Low Cost Improvement Loans for Mobile Home Owners. This program involves code and safety improvements including structural improvements, roofing, paving, carports, painting, etc. The goal of this program is to maintain and increase levels of homeownership among low and

moderate-income households and to revitalize existing neighborhoods in Placer County. The program is funded through CDBG funds.

Land Assemblage and Disposition. The County and the Agency will continue to play an active role in the provision of quality, affordable housing through use of land write-downs, direct financial assistance, and/or regulatory incentives. The Agency will utilize set-aside, HOME, CDBG, and other funds to assist in acquiring and assembling property and potentially writing down the cost of land for the development of new housing as the opportunities arise. As part of the assemblage program, the Agency may also assist in subsidizing on-site and off-site improvements.

Direct Financial Assistance. In addition to land assemblage and write-downs and depending on availability of funds, the Agency provides direct financial assistance in support of affordable housing development.

Preserve Affordability of At-Risk Units. In the April 1999 Placer County Affordable Housing Strategy report, there were 436 units, countywide, of which 112 were in unincorporated areas, of assisted multi-family housing at risk of converting to market rate by the middle of 2001. The Agency has several options available to assure that the units in the County remain affordable, including:

1. Providing financial incentives in the form of equity/rehabilitation loans in exchange for affordability covenants on the units. This has already been done on one 80-unit complex adjacent to the Project Area;
2. Transferring ownership to a non-profit corporation;
3. Constructing new affordable housing units to replace the lost units;
4. Purchase the affordability covenants; and/or
5. Work with the Placer County Housing Authority and property owners to develop a strategy to maintain affordability controls on assisted units in the County.

Mixed-Use Development Program. The current Housing Element encourages mixed-use types of development that combines housing with compatible non-housing uses. The Agency would use housing set-aside funds to reduce fees, provide financing, and land write-downs to qualified projects.

Fee Waiver Program. The Agency has used housing set-aside funds to pay down fees or pay for fees for very low-income to low-income housing developments. The projects must have at least 10% of the units affordable to very low-income households or at least 20% of the units affordable to low-income households.

Continued Implementation of the Inclusionary Housing Ordinance, the Affordable Housing Strategy, and Goals and Policies of the Housing Element. The Affordable Housing Strategy, adopted in April 1999 and the Inclusionary Housing Ordinance adopted in October 2001, by the County, and the Housing Element state goals, policies, objectives, and requirements to address the affordable housing needs of the County, are the primary housing documents. The Inclusionary Housing Ordinance, the Affordable Housing Strategy, and Housing Element will continue to provide the guidance, framework, and requirements to implement this Housing Strategy.

Plan Objectives the Above Programs and Projects Will Address

The achievement of an environment reflecting a high level of concern for architectural, landscape, and urban design and land use principals appropriate for attainment for the goals of the Redevelopment Plan.

The encouragement of investment by the private sector in the development and redevelopment of the Project Area by eliminating impediments to such development and redevelopment.

Conditions of Blight the Project Will Address

Not applicable; provides affordable housing pursuant to the CRL.

Potential Sites for Future Affordable Housing

Potential sites for affordable housing include property zoned for residential and certain commercial uses throughout the County. During the planning period, the Agency will work with private and nonprofit developers to find additional sites suitable for cost efficient development and rehabilitation of affordable housing.

Five-Year Housing Assistance Goals Implementation Timeline

Table 11 shows an estimated annual production timeline for the production of affordable dwelling units over the five-year planning period. Because these programs are still in their formative stage, specific details of the type and number of units created are not yet certain.

Completion of the programs proposed for the planning period would result in the Agency generating 258 affordable housing units.

Housing Unit Estimates

Section 33490(2)(A) of the CRL requires that this Strategy address housing revenues and expenditures, as well as any applicable housing production activities over the next five years. These elements are included in the Agency's Strategy Budget Forecast as Table 3.

Additionally, Section 33490(2)(B) requires various estimates of housing unit production over the time frame of the next five years, next ten years, and over the duration of the Redevelopment Plan. These estimates are shown on Table 11 and are:

258 Assisted Units - FY 2002-03 through FY 2006-07 (Five-Year Period)

742 Assisted Units - FY 2006-7 to end of Redevelopment Plan (Twenty-year Period)

Housing Element Consistency

Because this Production Plan focuses on providing housing for lower income households who are generally the most difficult segment of the community for whom to provide housing, it is clearly consistent with the Housing Element's goal to provide housing for all economic groups within the County. Both this Production Plan and the Housing Element state there is a definite need to assure an adequate supply of housing for the lower income segments of the County.

A major focal point of the goals, policies, and objectives of the Housing Element is to provide housing for all economic segments of the County, especially lower income families. Because the major goal of this Production Plan is also to provide housing for these lower income households, and the proposed plans and programs for improving the supply of affordable housing in the County presented in this Production Plan are similar to plans and policies of the Housing Element, there is clearly consistency between the Production Plan and the Housing Element.

The current Housing Element is being updated and revised. It is anticipated that this process would be completed in FY 2002-03. The Agency would take into consideration the updated and revised Housing Element when it considers its mid-term review of the Implementation Strategy.

Figure 8
FY 2002-2007 North Auburn Housing Fund Revenues

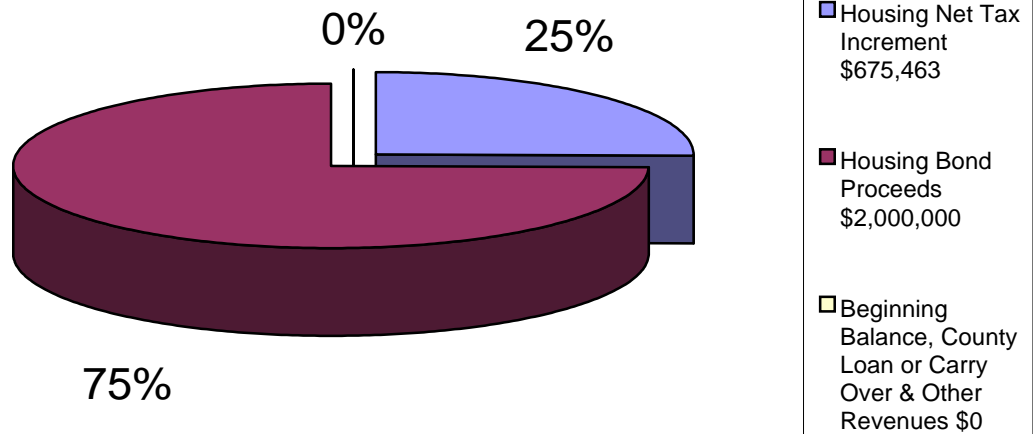
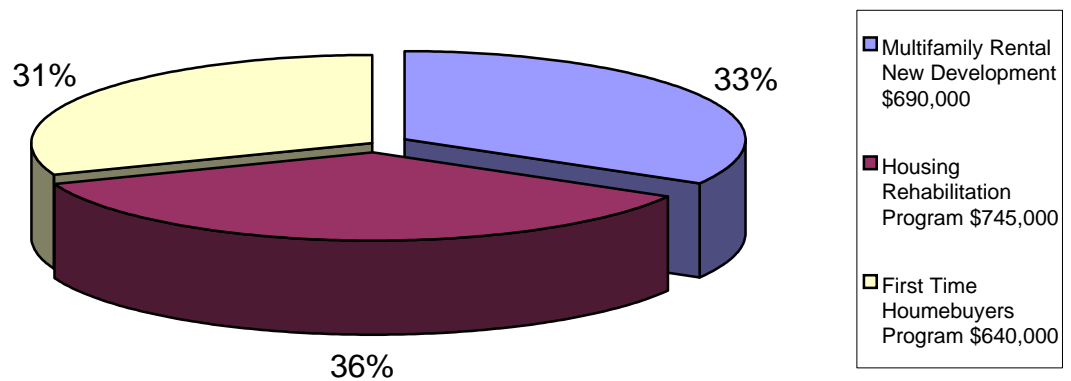


Figure 9
FY 2002-2007 North Auburn Housing Fund Expenditures





Agency Financial Consultant Report

Memorandum of November 6, 2001
Regarding Approval of BOWMAN STRATEGIC
PLAN for Business Retention

Section 5: Strategic Action Plan

BOWMAN STRATEGIC PLAN FOR BUSINESS
RETENTION, EXPANSION, AND
ATTRACTION